

Approved by the Lane County Board of Commissioners, 3/22/06.

March 22, 2006

Letter to Federal Communications Commission and House Energy and Commerce Committee

RE: Testimony on Cable Franchises (05-311) and Local Franchising Authority

The Lane County Board of Commissioners sends this testimony due to concerns about rules the FCC and legislation the House Energy and Commerce Committee each independently is considering, that would limit local authority to plan, facilitate, and develop telecommunications systems to meet the needs of our community. Lane County is supportive of all competitive development of telecommunications broadband facilities by private and public organizations. Our primary interest is to facilitate economic development, jobs, and improving education opportunities for all our citizens.

Lane County is in the process of developing a telecommunications strategy that addresses the needs of businesses and residents over the next five to ten years. Lane County covers a large geographic area (larger than some states) and sees the need for rural and urban areas to be linked through their joint telecommunications systems for education, workforce training, business development, health and public safety, and general economic development purposes.

Local governments are an essential participant in the development, management and operation of telecommunications systems that serve the general public. They support educational system and workforce development training, business development, operate essential infrastructure, and facilitate local economic development that in turn contributes to the national economy and the common good and public interest. It is therefore essential that local governments be franchised in the process of developing and operating the telecommunications systems of the future. Consideration must be given to the following:

- Local government build out requirements. Under federal authority of the 1996 Telecommunications Act local governments may franchise cable television companies to allow for complete coverage of each community with quality service, in a manner that complies with local codes and enhances the delivery of public access, education programming, and government information. Local governments are important advocates for uniform build out and availability of broadband services.

- National franchise formula. Adoption of a single, national formula for calculating franchise fees & preempting all franchise provisions concerning franchise fees would remove local governments from effective involvement in local build out and service delivery. Cable television franchise operators would likely claim unfair treatment and open franchise discussions to reduce or eliminate their franchise fee. Reduction or elimination of franchise revenues will also significantly impact local government's ability to deliver essential public services.

- Public Access, Education, and Government (PEG) Channel support. Prohibition of monetary or in-kind PEG support or support over and above the 5% franchise fee will give unfair advantage to incumbent providers. Cable television providers would likely claim that they also should be treated the same. This would undercut one of the essential elements of telecommunications – provision of PEG services.

- Reduction of local Right-of-Way control, fees, administrative costs, free cable services for local governments and schools. Local government must have the right to control its rights of way. Costs for administration and usual local fees are part of local government budgeting and operations. Prohibition of free cable or broadband video service to local governments and schools would reduce local government's ability to serve the community.

- Consumer rights. Rules need to provide local monitoring of customer service reporting requirements.
- 30-day franchise requirement. Requiring local governments to approve a competitive franchise application within 30 days is unreasonable and is most likely inconsistent with state and local public hearing requirements. Lane County is committed to expediting franchise processes for competitive broadband services in a manner consistent with public hearing requirements.

To summarize, Lane County favors allowing public and private development of broadband telecommunications systems. Giving any one type of telecommunications provider exclusive rights, or limiting public agencies from managing their public trust, is not a positive step in the development of these systems. Local governments must be involved in franchising and providing for uniform access to telecommunications services. Lane County is committed to removing barriers of entry to all companies interested in build out of broadband telecommunications services.

Sincerely,

Bill Dwyer, Chair
Lane County Board of Commissioners
125 E. 8th Avenue, Eugene OR 97401

Copies to the Oregon delegation